

WHISTLEBLOWING POLICY
PSA INTERNATIONAL PTE LTD



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WHISTLE BLOWING POLICY FOR PSA INTERNATIONAL PTE LTD

1. INTRODUCTION

- 1.1 The Code of Corporate Governance first issued in March 2001 was revised to include a code on whistle blowing as part of the Audit Committee's responsibilities. This change takes effect from 1 January 2007.

Although PSA International Pte Ltd is not listed on the Singapore Stock Exchange at this point in time, it strives to achieve high standards of corporate governance, to promote corporate transparency and to enhance shareholder value. It has adopted a framework of corporate governance policies and practices, in line with the principles and best industry practices set out in the Code of Corporate Governance, where applicable. PSA's Code of Business Conduct was published in 2004, and this would form the basis of determining what is deemed as improprieties committed by the management or staff of the company.

The objective of the whistle blowing policy is to provide a channel for employees and external parties to bring to the attention of the Audit Committee on any misdeeds or improprieties committed by the management or staff of the company.

- 1.2 By reference to "PSA" in the foregoing pages, it shall deem to mean PSA International Private Limited and/or its related or associated companies of PSA or its subsidiaries. For Joint Ventures ("JVs") which PSA does not have a majority stake, the policy would be applicable to PSA staff seconded to the JV. For other local staff or management within these JV, individual JVs would need to establish its own policy and procedures, or adapt this policy for its own use.

2. SCOPE OF WHISTLE BLOWING POLICY

- 2.1 Any activity or conduct or omission by an employee or officer of PSA Group of Companies or any auditing firm providing external audit services to the group, relating to accounting, internal controls or internal accounting controls that are questionable or not in accordance with generally accepted accounting practices or not in line with the established PSA Code of Business Conduct shall be deemed as possible improprieties.

- 2.2 These will include but not limited to:

- Fraud or suspected fraud, thefts and dishonest acts
- Profiteering as a result of insider knowledge
- Accepting or giving bribes
- Intimidation, discrimination or harassment of staff and other persons during the course of work or in the capacity as a PSA employee.
- Misappropriation of funds
- Disclosure of confidential information to outside parties
- Conflict of interest in business dealing with external parties or involved in prohibited activities (refer to PSA Code of Business Conduct).

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- 2.3 Only disclosed reporting (i.e. disclosure where the whistleblower identifies himself / herself) will be handled and investigated. Disclosure can be from both internal and external parties.
- 2.4 PSA adopts a zero tolerance policy with respect to whistle blowing, i.e. all disclosed reporting will be investigated regardless of amount and form.
- 2.5 For matters which are out of the scope of disclosure described above, the whistleblower would be informed that the matter is out of scope and would be referred to the respective persons, who would be in contact with him/her.
- 2.6 Matters which are out of the scope will be forwarded to the respective parties in accordance to the following guideline for their follow-up:
- | | | |
|--------------------------------|---|--------------------|
| HR-policy related matters | - | Group HR |
| Finance policy related matters | - | Finance |
| Intra-departmental matters | - | Head of department |

3. CHANNEL & STRUCTURE FOR WHISTLE BLOWING

- 3.1 All PSA employees and officers have a duty to report concerns which they may have, or reliable information provided to them, about possible misdeeds or improprieties committed by staff / management of the company.

The channels for reporting such concerns or matters include:

- Reporting to the immediate supervisor
- Head of departments
- Head, Group Internal Audit
- Global Head of HR & Corporate Affairs
- Whistle blowing telephone hotline / email
- Audit Committee Chairman or members
- Board of Directors

The reporting could be via telephone, email, letters or fax.

- 3.2 To ensure that the company has a centralized repository of all reported cases, a centralized unit called Whistle Blowing Unit will be tasked to handle all matters relating to whistle blowing.

Matters reported through the channels other than the Whistle blowing hotline would be forwarded to the Whistle blowing unit for further investigation.

- 3.3 The Whistle blowing unit comprises the following members:
- VP, Group HR
 - Head, Group Internal Audit

An administration support group comprising designated senior officers from Group HR & Group Internal Audit will also be assigned.

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Other parties will be co-opted into the unit as and when required, e.g. Group Legal.

The responsibilities of this unit include:

- Receiving and recording of matters reported.
- Evaluation and assessment of the matter to establish whether or not to investigate further.
- Provide direction on investigation to be carried out by an Investigation Team (where necessary). Alternatively, the investigation will be carried out by the Whistle blowing unit only.
- Prepare / Review and endorse investigation report, including recommendation on follow-up action.
- Annual review of policy and recommend enhancements.

3.4 All matters reported will be reviewed within a reasonable timeframe by the Whistle blowing unit and a decision taken whether to proceed with a detailed investigation. Guidance/direction will be sought from a Review Panel comprising Group CEO, Group CFO & Global Head of HR & Corporate Affairs where necessary.

3.5 Where the matter reported involves senior management, fraud, misappropriation of funds or bribery, the Audit Committee Chairman must be informed immediately. A dedicated email address would be made available for direct reporting to AC Chairman, if necessary.

3.6 Quarterly reports on cases reported will be submitted to the Review Panel and Audit Committee.

4. CONFIDENTIALITY OF WHISTLEBLOWER & WHISTLEBLOWEE IDENTITY

4.1 The whistleblower's identity will be kept confidential.

4.2 The number of staff involved in the investigation will be kept to a minimum so as to ensure that confidentiality of the case and the whistleblower are maintained.

4.3 The identity of the whistleblowee will be kept confidential until there is sufficient evidence to support that it is a genuine case.

5. PROTECTION FOR WHISTEBLOWER

5.1 The company assures that the whistleblower's identity will be kept confidential unless required by the court or other regulatory authorities to disclose the identity.

5.2 The company will not tolerate victimization of the whistleblower, and disciplinary action will be taken against those who victimize the whistleblower.

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- 5.3 The company assures that the employment of the whistleblower will be protected even if the report proved to be unfounded, provided the report has been made in good faith. However, reporting with malicious intent will not be tolerated.
- 5.4 A Whistleblower Protection Officer (a senior officer from Group HR) will serve to protect the whistleblower who acted in good faith, post whistle blowing. The whistleblower protection officer will keep in touch with the whistleblower and monitor the status of the whistleblower to assess signs of victimization or distress.

6. PROTECTION FOR COMPANY & WHISTLEBLOWEE

- 6.1 Information pertaining to the whistleblowing case will be kept confidential and restricted to the group of designated officers in charge of the investigation. This is to prevent unnecessary leakage of information which could result in potential legal suits if there was insufficient evidence to support the case.
- 6.2 The company will ensure there are sufficient facts and evidence to support the action / decision to be taken against the whistleblowee, and the evidence is able to stand up to cross-examination / scrutiny in the courts.
- 6.3 The company will ensure that all whistleblowees will not be convicted of any wrongdoing or unduly penalized until the case facts are proved to be genuine and sufficient evidence are in place to support the case.

7. ANNUAL REVIEW

- 7.1 The whistle blowing policy will be reviewed on an annual basis by Group HR in consultation with Legal and Group Internal Audit department, and recommendation made to the Review Panel for its endorsement before submitting to the Audit Committee for final approval.